

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

Commonwealth Edison Company	)	
	)	ICC Docket No. 13-0387
Tariff filing to present the Illinois Commerce	)	
Commission with an opportunity to consider	)	
revenue neutral tariff changes related to rate	)	
design authorized by subsection 16-108.5(e) of	)	
the Public Utilities Act	)	

**REBUTTAL TESTIMONY OF JEFFREY MEROLA**

**REACT EX. 6.1**

**ICC Docket No. 13-0387**

**Commonwealth Edison Company's Response to  
Coalition to Request Equitable Allocation of Costs Together ("REACT") Data Requests  
REACT 4.01 – 4.17  
Date Received: August 23, 2013  
Date Served: September 6, 2013**

**REQUEST NO. REACT 4.04:**

Please refer to ComEd Ex. 9.0, the Rebuttal Testimony of Ronald E. Donovan, at 186-189, wherein Mr. Donovan refers to ComEd's Field and Meter Services department. Please answer the following:

- a) What is the total revenue requirement accrued by this department for 2012?
- b) How are the costs of this department functionalized in ComEd Ex 3.01 - RDI ECOSS 2013?
- c) How are the costs of this department functionalized in ComEd Ex 3.04 - FRU ECOSS 2013?
- d) What services does this department provide for ComEd's supply services customers?
- e) What services does this department provide for ComEd's delivery services customers?
- f) Are there staff members of this department who provide services solely to ComEd supply customers?
- g) Are there staff members of this department who provide services solely to ComEd delivery services only customers?
- h) Does this department maintain records for ComEd supply services customers separate from ComEd delivery services only customers?
- i) Has ComEd performed any studies or analyses performed by ComEd that functionalized the costs of this department between ComEd's supply and delivery service functions? If so, please provide all studies and analyses performed.
- j) Please provide a detailed breakdown of the costs this department incurs that were included as part of the ComEd Ex 3.01 - RDI ECOSS 2013 and/or ComEd Ex 3.04 - FRU ECOSS 2013.

**RESPONSE:**

ComEd objects to this request on the grounds that the requested information is neither relevant to nor reasonably calculated to lead to the discovery of admissible evidence in this proceeding. ComEd further objects to Mr. Merola's reference to "delivery and supply customers" on the grounds that the costs related to the services Mr. Merola describes are services that are provided to

all of ComEd's delivery services customers regardless of the supply choice made by the customer. Subject to and without waiving the foregoing objections, or ComEd's General Objections, ComEd responds as follows:

- a) ComEd does not have a revenue requirement for specific ComEd departments. Please see the section titled "Determination of the Annual Revenue Requirement" in Rate DSPP-Delivery Service Pricing Performance available on ComEd Internet website at <https://www.comed.com/customer-service/rates-pricing/rates-information/Pages/current-rates.aspx> for the methodology ComEd uses to determine its annual revenue requirement.
- b) ComEd has not performed an analysis similar to the Switching Study provided in this proceeding as ComEd Ex. 9.01 to identify costs for the Field and Meter Services department. Generally, the costs related to the "Metering Services" department/activity listed in line 1 of ComEd Ex. 9.01 are assigned to the "Metering Services" sub-function and the costs related to "Field and Meter Services" department/activity listed on line 4 of ComEd Ex. 9.01 are assigned to the "Billing --Comp. & Data Mang." sub-function in ComEd's ECOSS model.
- c) See ComEd's response to subpart (b), above.
- d) ComEd's Field and Meter Services department provides the services identified in ComEd Ex. 9.0 at 9:186 - 10:189. ComEd does not functionalize these activities between supply and non-supply customers.
- e) See ComEd's response to subpart (d), above
- f) No
- g) No
- h) No
- i) See ICC Docket No. 10-0467, ComEd Ex. 19.1 and ComEd Ex. 19.2 and ICC Docket No. 08-0532, ComEd Ex. 2.1.
- j) See ComEd's response to subpart (d), above.

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**REQUEST NO. REACT 4.05:**

Please refer to ComEd Ex. 9.0, the Rebuttal Testimony of Ronald E. Donovan, at 190-194, wherein Mr. Donovan refers to ComEd's Billing Department. Please answer the following:

- a) What is the total revenue requirement accrued by this department for 2012?
- b) How are the costs of this department functionalized in ComEd Ex 3.01 - RDI ECOSS 2013?
- c) How are the costs of this department functionalized in ComEd Ex 3.04 - FRU ECOSS 2013?
- d) What services does this department provide for ComEd's supply services customers?
- e) What services does this department provide for ComEd's delivery services customers?
- f) Are there staff members of this department who provide services solely to ComEd supply customers?
- g) Are there staff members of this department who provide services solely to ComEd delivery services only customers?
- h) Does this department maintain records for ComEd supply services customers separate from ComEd delivery services only customers?
- i) Has ComEd performed any studies or analyses performed by ComEd that functionalized the costs of this department between ComEd's supply and delivery service functions? If so, please provide all studies and analyses performed.
- j) Please provide a detailed breakdown of the costs this department incurs that were included as part of the ComEd Ex 3.01 - RDI ECOSS 2013 and/or ComEd Ex 3.04 - FRU ECOSS 2013.

**RESPONSE**

ComEd objects to this request on the grounds that the requested information is neither relevant to nor reasonably calculated to lead to the discovery of admissible evidence in this proceeding. ComEd further objects to Mr. Merola's reference to "delivery and supply customers" on the grounds that the costs related to the services Mr. Merola describes are services that are provided to all of ComEd's delivery services customers regardless of the supply choice made by the customer. Subject to and without waiving the foregoing objections, or ComEd's General Objections, ComEd responds as follows:

- a) See subpart (a) of ComEd's Data Request Response to REACT 4.04.
- b) ComEd has not performed an analysis similar to the Switching Study provided in this proceeding as ComEd Ex. 9.01 to identify costs for ComEd's Billing department. Generally, the costs related to the "Billing" department/activity listed in line 5 of ComEd Ex. 9.01 are assigned to the "Bill Issue & Processing" sub-function in ComEd's ECOSS model.
- c) See ComEd's response to subpart (b), above.
- d) ComEd's Billing department provides the services outlines in ComEd Ex. 9.0 at 10:190-194 and does not functionalize these activities between supply and non-supply customers
- e) See ComEd's response to subpart (d), above.
- f) No
- g) No
- h) No
- i) *See*, ICC Docket No. 10-0467, ComEd Ex. 19.1 and ComEd Ex. 19.2 and ICC Docket No. 08-0532, ComEd Ex. 2.1.
- j) See ComEd's response to subpart (b), above.

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**REQUEST NO. REACT 4.06:**

Please refer to ComEd Ex. 9.0, the Rebuttal Testimony of Ronald E. Donovan, at 195-207, wherein Mr. Donovan refers to ComEd's Customer Contact Center. Please answer the following:

- a) What is the total revenue requirement accrued by this department for 2012?
- b) How are the costs of this department functionalized in ComEd Ex 3.01 - RDI ECOSS 2013?
- c) How are the costs of this department functionalized in ComEd Ex 3.04 - FRU ECOSS 2013?
- d) What services does this department provide for ComEd's supply services customers?
- e) What services does this department provide for ComEd's delivery services customers?
- f) Are there staff members of this department who provide services solely to ComEd supply customers?
- g) Are there staff members of this department who provide services solely to ComEd delivery services only customers?
- h) Does this department maintain records for ComEd supply services customers separate from ComEd delivery services only customers?
- i) Has ComEd performed any studies or analyses performed that functionalized the costs of this department between ComEd's supply and delivery service functions? If so, please provide all studies and analyses performed.
- j) Please provide a detailed breakdown of the costs this department incurs that were included as part of the ComEd Ex 3.01 - RDI ECOSS 2013 and/or ComEd Ex 3.04 - FRU ECOSS 2013.

**RESPONSE:**

ComEd objects to this request on the grounds that the requested information is neither relevant to nor reasonably calculated to lead to the discovery of admissible evidence in this proceeding. ComEd also objects to Mr. Merola's reference to "delivery and supply customers" on the grounds that the costs related to the services Mr. Merola describes are services that are provided to all of ComEd's delivery services customers regardless of the supply choice made by the customer.

Subject to and without waiving the foregoing objections, or ComEd's General Objections, ComEd responds as follows:

- a) See subpart (a) of ComEd's Data Request Response to REACT 4.04.
- b) ComEd has not performed an analysis similar to the Switching Study provided in this proceeding as ComEd Ex. 9.01 to identify costs for ComEd's Customer Contact Center department. Generally, the costs related to the "Customer Contact Center" department/activity listed in line 6 of ComEd Ex. 9.01 are assigned to the "Billing-Comp. & Data Mang." sub-function in ComEd's ECOSS model.
- c) See ComEd's response to subpart (b), above.
- d) ComEd's Customer Contact Center department provides the services outlines in ComEd Ex. 9.0 at 10:195-207 and does not functionalize these activities between supply and non-supply customers.
- e) See ComEd's response to subpart (d) above.
- f) No
- g) No
- h) No
- i) ComEd's studies and analyses are contained in ICC Docket No. 10-0467, ComEd Ex. 19.1 and ComEd Ex. 19.2 and ICC Docket No. 08-0532, ComEd Ex. 2.1.
- j) See ComEd's response to subpart (b), above.

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**REQUEST NO. REACT 4.07:**

Please refer to ComEd Ex. 9.0, the Rebuttal Testimony of Ronald E. Donovan, at 208-212, wherein Mr. Donovan refers to ComEd's Large Customer Solutions department. Please answer the following:

- a) What is the total revenue requirement accrued by this department for 2012?
- b) How are the costs of this department functionalized in ComEd Ex 3.01 - RDI ECOSS 2013?
- c) How are the costs of this department functionalized in ComEd Ex 3.04 - FRU ECOSS 2013?
- d) What services does this department provide for ComEd's supply services customers?
- e) What services does this department provide for ComEd's delivery services customers?
- f) Are there staff members of this department who provide services solely to ComEd supply customers?
- g) Are there staff members of this department who provide services solely to ComEd delivery services only customers?
- h) Does this department maintain records for ComEd supply services customers separate from ComEd delivery services only customers?
- i) Has ComEd performed any studies or analyses performed that functionalized the costs of this department between ComEd's supply and delivery service functions? If so, please provide all studies and analyses performed.
- j) Please provide a detailed breakdown of the costs this department incurs that were included as part of the ComEd Ex 3.01 - RDI ECOSS 2013 and/or ComEd Ex 3.04 - FRU ECOSS 2013.

**RESPONSE:**

ComEd objects to this request on the grounds that the requested information is neither relevant to nor reasonably calculated to lead to the discovery of admissible evidence in this proceeding.

ComEd also objects to Mr. Merola's reference to "delivery and supply customers" on the grounds that the costs related to the services Mr. Merola describes are services that are provided to all of

ComEd's delivery services customers regardless of the supply choice made by the customer. Subject to and without waiving the foregoing objections, or ComEd's General Objections, ComEd responds as follows:

- a) See subpart (a) of ComEd's Data Request Response to REACT 4.04.
- b) ComEd has not performed an analysis similar to the Switching Study provided in this proceeding as ComEd Ex. 9.01 to identify costs for ComEd's Large Customer Solutions department. Generally, the costs related to the "Large Customer Solutions" department / activity listed in line 7 of ComEd Ex. 9.01 are assigned to the "Billing-Comp. & Data Mang." sub-function in ComEd's ECOSS model.
- c) See ComEd's response to subpart (b) above.
- d) ComEd's Large Customer Solutions department provides the services outlines in ComEd Ex. 9.0 at 10:208 – 11:212 and does not functionalize these activities between supply and non-supply customers.
- e) See ComEd's response to subpart (d), above.
- f) No
- g) No
- h) No
- i) ComEd's studies and analyses are contained in ICC Docket No. 10-0467, ComEd Ex. 19.1 and ComEd Ex. 19.2 and ICC Docket No. 08-0532, ComEd Ex. 2.1.
- j) See ComEd's response to subpart (b) above.

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**REQUEST NO. REACT 4.08:**

Please refer to ComEd Ex. 9.0, the Rebuttal Testimony of Ronald E. Donovan, at 213-218, wherein Mr. Donovan refers to ComEd's Revenue Management department. Please answer the following:

- a) What is the total revenue requirement accrued by this department for 2012?
- b) How are the costs of this department functionalized in ComEd Ex 3.01 - RDI ECOSS 2013?
- c) How are the costs of this department functionalized in ComEd Ex 3.04 - FRU ECOSS 2013?
- d) What services does this department provide for ComEd's supply services customers?
- e) What services does this department provide for ComEd's delivery services customers?
- f) Are there staff members of this department who provide services solely to ComEd supply customers?
- g) Are there staff members of this department who provide services solely to ComEd delivery services only customers?
- h) Does this department maintain records for ComEd supply services customers separate from ComEd delivery services only customers?
- i) Has ComEd performed any studies or analyses performed that functionalized the costs of this department between ComEd's supply and delivery service functions? If so, please provide all studies and analyses performed.
- j) Please provide a detailed breakdown of the costs this department incurs that were included as part of the ComEd Ex 3.01 - RDI ECOSS 2013 and/or ComEd Ex 3.04 - FRU ECOSS 2013.

**RESPONSE:**

ComEd objects to this request on the grounds that the requested information is neither relevant to nor reasonably calculated to lead to the discovery of admissible evidence in this proceeding. ComEd further objects to Mr. Merola's reference to "delivery and supply customers" on the grounds that the costs related to the services Mr. Merola describes are services that are provided to all of ComEd's delivery services customers regardless of the supply choice made by the customer.

Subject to and without waiving the foregoing objections, or ComEd's General Objections, ComEd responds as follows:

- a) See subpart (a) of ComEd's Data Request Response to REACT 4.04.
- b) ComEd has not performed an analysis similar to the Switching Study provided in this proceeding as ComEd Ex. 9.01 to identify costs for ComEd's Revenue Management department. Generally, the costs related to the "Revenue Management" department/activity listed in line 8 of ComEd Ex. 9.01 are assigned to the "Billing-Comp. & Data Mang." and "Bill Issue & Processing" sub-functions in ComEd's ECOSS model.
- c) See ComEd's response to subpart (b), above.
- d) ComEd's Revenue Management department provides the services outlines in ComEd Ex. 9.0 at 11:213 - 218 and does not functionalize these activities between supply and non-supply customers.
- e) See ComEd's response to subpart (d), above.
- f) No
- g) No
- h) No
- i) See ICC Docket No. 10-0467, ComEd Ex. 19.1 and ComEd Ex. 19.2 and ICC Docket No. 08-0532, ComEd Ex. 2.1.
- j) See ComEd's response to subpart (b), above.

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**REQUEST NO. REACT 4.09:**

Please refer to ComEd Ex. 9.0, the Rebuttal Testimony of Ronald E. Donovan, at 219-222, wherein Mr. Donovan refers to ComEd's Revenue Protection department. Please answer the following:

- a) What is the total revenue requirement accrued by this department for 2012?
- b) How are the costs of this department functionalized in ComEd Ex 3.01 - RDI ECOSS 2013?
- c) How are the costs of this department functionalized in ComEd Ex 3.04 - FRU ECOSS 2013?
- d) What services does this department provide for ComEd's supply services customers?
- e) What services does this department provide for ComEd's delivery services customers?
- f) Are there staff members of this department who provide services solely to ComEd supply customers?
- g) Are there staff members of this department who provide services solely to ComEd delivery services only customers?
- h) Does this department maintain records for ComEd supply services customers separate from ComEd delivery services only customers?
- i) Has ComEd performed any studies or analyses performed that functionalized the costs of this department between ComEd's supply and delivery service functions? If so, please provide all studies and analyses performed.
- j) Please provide a detailed breakdown of the costs this department incurs that were included as part of the ComEd Ex 3.01 - RDI ECOSS 2013 and/or ComEd Ex 3.04 - FRU ECOSS 2013.

**RESPONSE:**

ComEd objects to this request on the grounds that the requested information is neither relevant to nor reasonably calculated to lead to the discovery of admissible evidence in this proceeding. ComEd further objects to Mr. Merola's reference to "delivery and supply customers" on the grounds that the costs related to the services Mr. Merola describes are services that are provided to all of ComEd's delivery services customers regardless of the supply choice made by the customer.

Subject to and without waiving the foregoing objections, or ComEd's General Objections, ComEd responds as follows:

- a) See subpart (a) of ComEd's Data Request Response to REACT 4.04.
- b) ComEd has not performed an analysis similar to the Switching Study provided in this proceeding as ComEd Ex. 9.01 to identify costs for ComEd's Revenue Protection department. Generally the costs related to the "Revenue Protection" department/activity listed in line 9 of ComEd Ex. 9.01 are assigned to the "Billing-Comp. & Data Mang." sub-function in ComEd's ECOSS model.
- c) See ComEd's response to subpart (b) above.
- d) ComEd's Revenue Protection department provides the services outlined in ComEd Ex. 9.0 at 11:219 - 222 and does not functionalize these activities between supply and non-supply customers.
- e) See ComEd's response to subpart (d) above.
- f) No
- g) No
- h) No
- i) See ICC Docket No. 10-0467, ComEd Ex. 19.1 and ComEd Ex. 19.2 and ICC Docket No. 08-0532, ComEd Ex. 2.1.
- j) See ComEd's response to subpart (b), above.

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**REQUEST NO. REACT 4.10:**

Please refer to ComEd Ex. 9.0, the Rebuttal Testimony of Ronald E. Donovan, at 223-225, wherein Mr. Donovan refers to ComEd's Demand Management department. Please answer the following:

- a) What is the total revenue requirement accrued by this department for 2012?
- b) How are the costs of this department functionalized in ComEd Ex 3.01 - RDI ECOSS 2013?
- c) How are the costs of this department functionalized in ComEd Ex 3.04 - FRU ECOSS 2013?
- d) What services does this department provide for ComEd's supply services customers? What services does this department provide for ComEd's delivery services customers?
- e) Are there staff members of this department who provide services solely to ComEd supply customers?
- f) Are there staff members of this department who provide services solely to ComEd delivery services only customers?
- g) Does this department maintain records for ComEd supply services customers separate from ComEd delivery services only customers?
- h) Has ComEd performed any studies or analyses performed that functionalized the costs of this department between ComEd's supply and delivery service functions? If so, please provide all studies and analyses performed.
- i) Please provide a detailed breakdown of the costs this department incurs that were included as part of the ComEd Ex 3.01 - RDI ECOSS 2013 and/or ComEd Ex 3.04 - FRU ECOSS 2013.

**RESPONSE:**

ComEd objects to this request on the grounds that the requested information is neither relevant to nor reasonably calculated to lead to the discovery of admissible evidence in this proceeding. ComEd further objects to Mr. Merola's reference to "delivery and supply customers" on the grounds that the costs related to the services Mr. Merola describes are services that are provided to all of ComEd's delivery services customers regardless of the supply choice made by the customer. Subject to and without waiving the foregoing objections, or ComEd's General Objections, ComEd responds as follows:

- a) See subpart (a) of ComEd's Data Request Response to REACT 4.04.

- b) ComEd has not performed an analysis similar to the Switching Study provided in this proceeding as ComEd Ex. 9.01 to identify costs for ComEd's Demand Management department. Generally, the costs related to the "Demand Management" department/activity listed in line 10 of ComEd Ex. 9.01 are assigned to the "Cust. Serv. & Informat." sub-function in ComEd's ECOSS model.
- c) See ComEd's response to subpart (b), above.
- d) ComEd's Demand Management department provides the services outlines in ComEd Ex. 9.0 at 11:223 - 225 and does not functionalize these activities between supply and non-supply customers.
- e) See ComEd's response to subpart (d), above.
- f) No
- g) No
- h) No
- i) See ICC Docket No. 10-0467, ComEd Ex. 19.1 and ComEd Ex. 19.2 and ICC Docket No. 08-0532, ComEd Ex. 2.1.
- j) See ComEd's response to subpart (b) above.

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**REQUEST NO. REACT 4.11:**

Please refer to ComEd Ex. 9.0, the Rebuttal Testimony of Ronald E. Donovan, at 226-230, wherein Mr. Donovan refers to ComEd's Electric Supplier Services department. Please answer the following:

- a) What is the total revenue requirement accrued by this department for 2012?
- b) How are the costs of this department functionalized in ComEd Ex 3.01 - RDI ECOSS 2013?
- c) How are the costs of this department functionalized in ComEd Ex 3.04 - FRU ECOSS 2013?
- d) What services does this department provide for ComEd's supply services customers?
- e) What services does this department provide for ComEd's delivery services customers?
- f) Are there staff members of this department who provide services solely to ComEd supply customers?
- g) Are there staff members of this department who provide services solely to ComEd delivery services only customers?
- h) Does this department maintain records for ComEd supply services customers separate from ComEd delivery services only customers?
- i) Has ComEd performed any studies or analyses performed that functionalized the costs of this department between ComEd's supply and delivery service functions? If so, please provide all studies and analyses performed.

**RESPONSE:**

ComEd objects to this request on the grounds that the requested information is neither relevant to nor reasonably calculated to lead to the discovery of admissible evidence in this proceeding. ComEd further objects to Mr. Merola's reference to "delivery and supply customers" on the grounds that the costs related to the services Mr. Merola describes are services that are provided to all of ComEd's delivery services customers regardless of the supply choice made by the customer. Subject to and without waiving the foregoing objections, or ComEd's General Objections, ComEd responds as follows:

- a) See subpart (a) of ComEd's Data Request Response to REACT 4.04.
- b) ComEd has not performed an analysis similar to the Switching Study provided in this proceeding as ComEd Ex. 9.01 to identify costs for ComEd's Electric Supplier Services department. Generally the costs related to the "Electric Supplier Services" department/activity listed in line 9 of ComEd Ex. 9.01 are assigned to the "Billing-Comp. & Data Mang." sub-function in 2009 in ComEd's ECOSS model. Currently any delivery costs related to ESSD activities are assigned to FERC Account 920 and are allocated to sub-functions based on the total labor allocator in ComEd's ECOSS model.

- c) See ComEd's response to subpart (b), above.
- d) ComEd's Electric Supplier Services department provides the services outlined in ComEd Ex. 9.0 at 11:226 - 230 and does not functionalize these activities between supply and non-supply customers.
- e) See ComEd's response to subpart (d), above.
- f) No
- g) No
- h) No
- i) See ICC Docket No. 10-0467, ComEd Ex. 19.1 and ComEd Ex. 19.2 and ICC Docket No. 08-0532, ComEd Ex. 2.1.

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**REQUEST NO. REACT 4.12:**

Please refer to ComEd Ex. 9.0, the Rebuttal Testimony of Ronald E. Donovan, at 231-238, wherein Mr. Donovan refers to ComEd's Market Research department. Please answer the following:

- a) What is the total revenue requirement accrued by this department for 2012?
- b) How are the costs of this department functionalized in ComEd Ex 3.01 - RDI ECOSS 2013?
- c) How are the costs of this department functionalized in ComEd Ex 3.04 - FRU ECOSS 2013?
- d) What services does this department provide for ComEd's supply services customers?
- e) What services does this department provide for ComEd's delivery services customers?
- f) Are there staff members of this department who provide services solely to ComEd supply customers?
- g) Are there staff members of this department who provide services solely to ComEd delivery services only customers?
- h) Does this department maintain records for ComEd supply services customers separate from ComEd delivery services only customers?
- i) Has ComEd performed any studies or analyses performed that functionalized the costs of this department between ComEd's supply and delivery service functions? If so, please provide all studies and analyses performed.

**RESPONSE:**

ComEd objects to this request on the grounds that the requested information is neither relevant to nor reasonably calculated to lead to the discovery of admissible evidence in this proceeding. ComEd further objects to Mr. Merola's reference to "delivery and supply customers" on the grounds that the costs related to the services Mr. Merola describes are for services that are provided to all of ComEd's delivery services customers regardless of the supply choice made by the customer. Subject to and without waiving the foregoing objections, or ComEd's General Objections, ComEd responds as follows:

- a) See subpart (a) of ComEd's Data Request Response to REACT 4.04.

- b) ComEd has not performed an analysis similar to the Switching Study provided in this proceeding as ComEd Ex. 9.01 to identify costs for ComEd's Market Research department. Generally, the costs related to the "Market Research" department/activity listed in line 12 of ComEd Ex. 9.01 are assigned to the "Cust. Serv. & Informat." sub-function in ComEd's ECOSS model.
- c) See ComEd's response to subpart (b), above.
- d) ComEd's Market Research department provides the services outlines in ComEd Ex. 9.0 at 12:231 - 238 and does not functionalize these activities between supply and non-supply customers.
- e) See ComEd's response to subpart (d), above.
- f) No
- g) No
- h) No
- i) See ICC Docket No. 10-0467, ComEd Ex. 19.1 and ComEd Ex. 19.2 and ICC Docket No. 08-0532, ComEd Ex. 2.1.

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**REQUEST NO. REACT 4.14:**

Please refer to ComEd Ex. 9.0, the Rebuttal Testimony of Ronald E. Donovan, at 239-241, wherein Mr. Donovan refers to ComEd's Information Technology ("IT"). Please answer the following:

- a) What is the total revenue requirement accrued by this department for 2012?
- b) How does Exelon/ComEd determine which portion of IT costs are allocated to ComEd v other Exelon companies?
- c) What IT systems are utilized by ComEd to administer "Customer service operations", as defined in Donovan Rebuttal at 83-98? Please also provide the revenue requirement for each system.
- d) Which ComEd IT systems are used specifically for customer service operations for ComEd's delivery services function?
- e) Which ComEd IT systems are used specifically for customer service operations for ComEd's supply function?
- f) How are the costs of Exelon/ComEd IT functionalized in ComEd Ex 3.01 - RDI ECOSS 2013?
- g) How are the costs of Exelon/ComEd IT functionalized in ComEd Ex 3.04 - FRU ECOSS 2013?
- h) What services does Exelon/ComEd IT provide for ComEd's supply services customers?
- i) What services does Exelon/ComEd IT provide for ComEd's delivery services customers?
- j) Are there staff members of Exelon/ComEd IT who provide services solely to ComEd supply customers?
- k) Are there staff members of Exelon/ComEd IT who provide services solely to ComEd delivery services only customers?
- l) Does Exelon/ComEd IT maintain records for ComEd supply services customers separate from ComEd delivery services only customers?
- m) Has ComEd performed any studies or analyses performed that functionalized the costs of Exelon/ComEd IT between ComEd's supply and delivery service functions? If so, please provide all studies and analyses performed.

**RESPONSE:**

ComEd objects to this request on the grounds that the requested information is neither relevant to nor reasonably calculated to lead to the discovery of admissible evidence in this proceeding. ComEd also objects to this request on the grounds that the request is vague and ambiguous. ComEd further objects to REACT's reference to "delivery and supply customers" on the grounds that the costs related to the services described are services that are provided to all of ComEd's delivery services customers regardless of the supply choice made by the customer. Subject to and without waiving the foregoing objections, or ComEd's General Objections, ComEd responds as follows:

- a) See subpart (a) of ComEd's Data Request Response to REACT 4.04
- b) Information Technology (IT) is a centrally managed support function within Exelon Business Services Company ("EBSC"). Generally, IT costs that are specific to one (1) Client Company are directly charged to the respective Client Company. Costs for information technology applications which benefit all or more than one (1) Client Company are allocated to the respective Client Companies based on an appropriate cost causative allocation methodology.
- c) ComEd primarily utilizes the Customer Information and Marketing System, ITRON meter reading system, ASPECT telephony system, and Mobile Dispatch to administer "customer service operations". ComEd does not have a specific revenue requirement for specific IT systems.
- d) The systems noted in ComEd's response to subpart (c), above, are utilized specifically for customer operations for delivery services.
- e) All of the systems listed in ComEd's response to subpart (c), above, are utilized specifically for customer operations regardless of the customer's supply choice.
- f) ComEd has not performed an analysis similar to the Switching Study provided in this proceeding as ComEd Ex. 9.01 to identify costs for ComEd's IT department. Generally the costs related to the "IT" department/activity listed in line 13 of ComEd Ex. 9.01 are assigned to the "Billing-Comp. & Data Mang." sub-function in ComEd's ECOSS model.
- g) See ComEd's response to subpart (f), above.
- h) IT does not differentiate between delivery and supply service customers. The services provided are typically aligned by application.
- i) IT does not differentiate between delivery and supply service customers. The services provided are typically aligned by application.
- j) No
- k) No
- l) No
- m) See ICC Docket No. 10-0467, ComEd Ex. 19.1 and ComEd Ex. 19.2 and ICC Docket No. 08-0532, ComEd Ex. 2.1.

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

Commonwealth Edison Company	)	
	)	ICC Docket No. 13-0387
Tariff filing to present the Illinois Commerce	)	
Commission with an opportunity to consider	)	
revenue neutral tariff changes related to rate	)	
design authorized by subsection 16-108.5(e) of	)	
the Public Utilities Act	)	

**REBUTTAL TESTIMONY OF JEFFREY MEROLA**

**REACT EX. 6.2**

**REACT Exhibit 2.4**  
ComEd Exhibit 19.2 (Donovan Allocation Study) Modified to Account for Total Cost of Service

For the Year Ending December 31, 2009

Line No.	Department / Activity (a)	Total Cost to Serve (b)	Costs Allocated to Supply (c)	Costs Allocated to Delivery (d)	Donovan Supply Allocation as a Percentage of Direct O&M Costs (e)	Donovan Supply Allocation as a Percentage of Total Cost to Serve (f)
1	Metering Services	163,033,413	-	163,033,413	0.0%	0.0%
2	Advertising	4,566,121	-	4,566,121	0.0%	0.0%
3	Subtotal	\$ 167,599,534	\$ -	\$ 167,599,534	0.0%	0.0%
4	Field and Meter Services	18,675,850	4,865,674	13,810,176	26.1%	8.8%
5	Billing	34,396,475	6,554,865	27,841,610	19.1%	12.3%
6	Customer Contact Center	80,763,586	20,873,384	59,890,202	25.8%	8.3%
7	Large Customer Solutions	25,177,078	164,074	25,013,004	0.7%	0.2%
8	Revenue Management	18,417,868	9,966,267	8,451,601	54.1%	30.0%
9	Revenue Protection	2,567,169	78,928	2,488,241	3.1%	1.0%
10	Demand Management	\$9,253,174	2,084,223	7,168,951	22.5%	11.5%
11	Electric Supplier Services	955,098	-	955,098	0.0%	0.0%
12	Market Research	\$3,332,892	49,993	3,282,899	1.5%	0.8%
13	Information Technology	29,271,372	6,417,687	22,853,685	21.9%	21.8%
14	Support Services	15,692,731	2,668,132	13,024,599	17.0%	6.4%
15	Other	27,855,602	12,357,170	15,498,432	44.4%	16.0%
16	Total w/o Metering Services	\$ 270,925,016	\$ 66,080,397	\$ 204,844,619	24.4%	11.5%
17	Total Customer Care Costs	\$ 438,524,550	\$ 66,080,397	\$ 372,444,153	15.1%	7.1%

**Sources:**

Line (1), Col (b) ComEd Ex 22.1, Schedule 2a, Line 238  
Line (2), Col (b) ComEd Response to REACT Data Request 4.01  
Line (3) Line (1) + Line (2)  
Line (4), Col (b) ComEd Response to REACT Data Request 4.02  
Line (5), Col (b) ComEd Response to REACT Data Request 4.03  
Line (6), Col (b) ComEd Response to REACT Data Request 4.04  
Line (7), Col (b) ComEd Response to REACT Data Request 4.05  
Line (8), Col (b) ComEd Response to REACT Data Request 4.06  
Line (9), Col (b) ComEd Response to REACT Data Request 4.07  
Line (10), Col (b) ComEd Response to REACT Data Request 4.08  
Line (11), Col (b) ComEd Response to REACT Data Request 4.09  
Line (12), Col (b) ComEd Response to REACT Data Request 4.10  
Line (13), Col (b) ComEd Response to REACT Data Request 4.11  
Line (14), Col (b) ComEd Response to REACT Data Request 4.12  
Line (15), Col (b) ComEd Response to REACT Data Request 4.13  
Col (c) Col (b) x Col (e)  
Col (d) Col (b) - Col (c)  
Col (e) ComEd Exhibit 19.2 Col (c) / ComEd Exhibit 19.2 Col(b)  
Col (f) ComEd Exhibit 19.2 Col (c) / Col (b) of this Exhibit.  
Line (16) Sum of Line (4) through Line (15)  
Line (17) Line (3) + Line (16)

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

Commonwealth Edison Company	)	
	)	ICC Docket No. 13-0387
Tariff filing to present the Illinois Commerce	)	
Commission with an opportunity to consider	)	
revenue neutral tariff changes related to rate	)	
design authorized by subsection 16-108.5(e) of	)	
the Public Utilities Act	)	

**REBUTTAL TESTIMONY OF JEFFREY MEROLA**

**REACT EX. 6.3**

REACT Exhibit 2.5  
ComEd Allocation Study Corrected for Errors

For the Year Ending December 31, 2009

Line No.	Department / Activity (a)	Total Cost to Serve (b)	Costs Allocated to Supply (c)	Costs Allocated to Delivery (d)	Corrected Supply Allocation Percentage (e)
1	Metering Services	163,033,413	-	163,033,413	0.0%
2	Advertising	4,566,121	-	4,566,121	0.0%
3	Subtotal	\$ 167,599,534	\$ -	\$ 167,599,534	0.0%
4	Field and Meter Services	18,675,850	4,865,674	13,810,176	26.1%
5	Billing	34,396,475	18,773,964	15,622,511	54.6%
6	Customer Contact Center	80,763,586	24,318,509	56,445,077	30.1%
7	Large Customer Solutions	25,177,078	164,074	25,013,004	0.7%
8	Revenue Management	18,417,868	9,966,267	8,451,601	54.1%
9	Revenue Protection	2,567,169	157,856	2,409,313	6.1%
10	Demand Management	9,253,174	2,084,223	7,168,951	22.5%
11	Electric Supplier Services	955,098	-	955,098	0.0%
12	Market Research	3,332,892	49,993	3,282,899	1.5%
13	Information Technology	29,271,372	13,196,505	16,074,867	45.1%
14	Support Services	15,692,731	3,771,501	11,921,231	24.0%
15	Other	27,855,602	13,425,241	14,430,361	48.2%
16	Total w/o Metering Services	\$ 270,925,016	\$ 90,773,808	\$ 180,151,208	33.5%
17	Total Customer Care Costs	\$ 438,524,550	\$ 90,773,808	\$ 347,750,742	20.7%

**Sources:**

Line (1), Col (b) ComEd Ex 22.1, Schedule 2a, Line 238  
Line (2), Col (b) ComEd Response to REACT Data Request 4.01  
Line (3) Line (1) + Line (2)  
Line (4), Col (b) ComEd Response to REACT Data Request 4.02  
Line (5), Col (b) ComEd Response to REACT Data Request 4.03  
Line (6), Col (b) ComEd Response to REACT Data Request 4.04  
Line (7), Col (b) ComEd Response to REACT Data Request 4.05  
Line (8), Col (b) ComEd Response to REACT Data Request 4.06  
Line (9), Col (b) ComEd Response to REACT Data Request 4.07  
Line (10), Col (b) ComEd Response to REACT Data Request 4.08  
Line (11), Col (b) ComEd Response to REACT Data Request 4.09  
Line (12), Col (b) ComEd Response to REACT Data Request 4.10  
Line (13), Col (b) ComEd Response to REACT Data Request 4.11  
Line (14), Col (b) ComEd Response to REACT Data Request 4.12  
Line (15), Col (b) ComEd Response to REACT Data Request 4.13  
Col (c) Col (b) x Col (e)  
Col (d) Col (b) - Col (c)  
Col (e) From ComEd Ex. 19.2 for the equivalent line, Col (c) divided by Col (b), after adjusting adjusting for a 50% Bill Calculation Allocator and a 45.4% System Bil  
Line (16) Sum of Line (4) through Line (15)  
Line (17) Line (3) + Line (16)

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

Commonwealth Edison Company	)	
	)	ICC Docket No. 13-0387
Tariff filing to present the Illinois Commerce	)	
Commission with an opportunity to consider	)	
revenue neutral tariff changes related to rate	)	
design authorized by subsection 16-108.5(e) of	)	
the Public Utilities Act	)	

**REBUTTAL TESTIMONY OF JEFFREY MEROLA**

**REACT EX. 6.4**

ECOSS Category	2010 Total Cost to Serve <sup>(1)</sup>	2013 Total Cost to Serve <sup>(2)</sup>	Increase (%) <sup>(3)</sup>
(a)	(b)	(c)	(d)
Billing -- Computation & Data Mang.	\$ 233,958,144	\$ 272,033,697	16%
Bill Issue & Processing	\$ 20,829,627	\$ 22,659,746	9%
Customer Information	\$ 17,495,953	\$ 32,138,279	84%
<b>Total</b>	<b>\$ 272,283,724</b>	<b>\$ 326,831,722</b>	<b>20%</b>

Supply v Delivery Services Cost Allocation	2010 <sup>4</sup>	2013 <sup>5</sup>
(e)	(f)	(g)
Customer Care Costs Allocated to Delivery Services	\$ 180,151,208	\$ 216,241,825
Customer Care Costs Allocated to Supply	\$ 90,773,808	\$ 108,958,992

References:

- (1) Figures taken from ICC Docket No. 10-0467, REACT Exhibit 2.2
- (2) REACT Exhibit 3.9
- (3) [(c) - (b)] / (b)